

DIRECT TESTIMONY

of

GREG ROCKROHR

Energy Engineering Program

Safety and Reliability Division

Illinois Commerce Commission

Ameren Transmission Company of Illinois
Petition for an Order Pursuant to Section 8-509 of the Public Utilities Act Authorizing
Use of Eminent Domain Power.

Docket No. 14-0438

July 10, 2014

1 **Q. Please state your name and business address.**

2 A. My name is Greg Rockrohr. My business address is 527 East Capitol Avenue,
3 Springfield, Illinois 62701.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by the Illinois Commerce Commission ("Commission") as a
6 Senior Electrical Engineer in the Safety and Reliability Division. In my current
7 position, I review various planning and operating practices at Illinois electric
8 utilities and provide opinions or guidance to the Commission through Staff
9 reports and testimony.

10 **Q. What is your previous work experience?**

11 A. Prior to joining the Commission Staff ("Staff") in 2001, I was an electrical
12 engineer at Pacific Gas and Electric Company in California for approximately 18
13 years. Prior to that, I was an electrical engineer at Northern Indiana Public
14 Service Company for approximately 3 years. I am a registered professional
15 engineer in the state of California.

16 **Q. What is your educational background?**

17 A. I hold a Bachelor of Science degree in Electrical Engineering from Valparaiso
18 University. While employed in the utility industry and at the Commission, I have
19 attended numerous classes and conferences relevant to electric utility
20 operations.

21 **Q. What is the purpose of your testimony?**

22 A. On June 23, 2014, Ameren Transmission Company of Illinois ("ATXI") filed a
23 petition requesting that the Commission authorize ATXI's use of eminent domain

pursuant to Section 8-509 of the Public Utilities Act (“Act”) to acquire rights-of-way across specific properties for construction of an overhead electric transmission line. This petition is ATXI’s third petition seeking eminent domain authority for construction of its planned Illinois Rivers Project, a 345 kV transmission line that crosses the state.¹ In this docket, ATXI seeks eminent domain authority to cross specific properties within the segment of its Illinois Rivers Project between its Sidney Substation and Rising Substation. The purpose of my testimony is to provide the Commission with information regarding ATXI’s attempts to acquire property rights for this segment from landowners through negotiations.

Q. Has the Commission given Staff guidance as to the information it would like Staff to provide in Section 8-509 proceedings?

A. Yes. In its Final Order in ICC Docket No. 10-0173, the Commission stated:

The Commission expects Staff to inquire regarding and/or verifying a utility's efforts to obtain property through negotiation in future cases concerning Section 8-509.

Illinois Power Company, ICC Order Docket No. 10-0173, 14 (November 23, 2010). Additionally, in its Final Order in ICC Docket No. 13-0516, the Commission stated:

The Commission notes that issues surrounding landowner concerns about the easement and easement document, including pole placement, are relevant for a determination as to whether the Company has made reasonable attempts to acquire the property and are within the scope of a Section 8-509 proceeding. In future proceedings, Staff should address any landowner concerns within their area of expertise, for example pole location or vegetation issues.

¹ ATXI’s previous two petitions are the subjects of Docket Nos. 14-0291 and 14-0380.

Ameren Illinois Company, ICC Order Docket No. 13-0516, 10 (October 23, 2013).

The Commission has previously identified and relied upon five specific criteria to evaluate whether the granting of eminent domain is appropriate: (1) the number and extent of contacts with the landowners; (2) whether the utility has explained its offer of compensation; (3) whether the offers of compensation are comparable to offers made to similarly situated landowners; (4) whether the utility has made an effort to address landowner concerns; and (5) whether further negotiations will likely prove fruitful.²

Q. What property rights does ATXI seek with its petition?

A. This eminent domain docket includes only certain properties across which ATXI requires land rights between Sidney and Rising, as illustrated by the maps shown on pages 2 to 4 of Exhibit A to ATXI's petition. Generally, ATXI seeks a 150-foot wide easement across these private properties.³ With its petition, ATXI requests eminent domain authority to acquire easements from 10 landowners across 10 properties ("Unsigned Properties").⁴ In its Final Order in Docket 12-0598, the Commission granted ATXI a Certificate of Public Convenience and Necessity pursuant to Section 8-406.1 of the Act and an order pursuant to Section 8-503 of the Act authorizing ATXI to construct this 345 kV transmission line.⁵ ATXI's 345 kV transmission line identified as the Illinois Rivers Project will ultimately extend from the Mississippi River to Indiana, and it is my understanding that ATXI will file

² Ameren Transmission Company of Illinois, ICC Order Docket No. 14-0291, 4 (May 20, ~~2004~~2014).

³ ATXI Petition, 1 and 4.

⁴ ATXI Ex. 1.0, 2-3:40-43. Note: ATXI informed Staff that since the time it filed its petition, ATXI has reached agreement with one of the 10 property owners. See Attachment C.

⁵ Ameren Transmission Company of Illinois, ICC Order Docket No. 12-0598, 133-135 (August 20, 2013).

further petitions seeking eminent domain authority for segments of the transmission line not covered in this docket or in previously filed petitions that the Commission addressed in Docket Nos. 14-0291 and 14-0380.

Q.. Do you have any general concerns regarding ATXI's stated activities and practices used to acquire easements within the Sidney to Rising segment of the Illinois Rivers Project, or regarding its need for eminent domain authority?

A. No. ATXI has demonstrated that it has made reasonable attempts to obtain the property rights it needs for the Sidney to Rising segment of the Illinois Rivers Project through use of logically and consistently derived initial compensation offers followed by discussions and negotiations with individual landowners. Importantly, ATXI explains that it has been willing to consider landowner evaluation information and counter-offers (should landowners provide them). Though I am not an attorney, it is my understanding that ATXI needs to obtain property rights along the entire route of its planned 345 kV transmission line (to the extent it does not already possess such rights), as determined by the Commission in its August 20, 2013, Final Order in Docket No. 12-0598. Therefore, I do not have concerns that ATXI now seeks eminent domain authority to acquire land rights across certain properties between Sidney and Rising Substations.

Q. Do you have concerns regarding ATXI's request for eminent domain to construct its 345 kV transmission line across any specific property between Sidney and Rising Substations?

95 A. No. Based upon all the information from ATXI that I reviewed, I find ATXI's
96 request for eminent domain authority for the specific properties it has identified to
97 be reasonable. Further, ATXI states that it will continue to seek easement
98 acquisitions through negotiation, but expresses concern that delays in acquiring
99 land rights will adversely affect its construction schedule.⁶

100 **Q. Are there any specific factors associated with ATXI's request in this docket**
101 **that were not present in either Docket No. 14-0291 or Docket No. 14-0380?**

102 A. Yes. For two parcels between Hwy 10 and Rising Substation, ATXI seeks
103 eminent domain authority for an easement that is adjacent to an existing
104 easement and 138 kV line that AIC constructed in 2006. Ameren Illinois installed
105 this 138 kV circuit on a 132 foot wide easement across properties identified in
106 this docket with ATXI Internal Tract Numbers ILRP_RS_CH_004 and
107 ILRP_RS_CH_005. ATXI now seeks an additional 150-foot wide easement that
108 abuts and slightly overlaps the existing 132 foot-wide easement.⁷ Rather than
109 obtaining an additional 150-foot wide easement, ATXI could seek an additional
110 18-foot wide easement and install new structures that support both the existing
111 138 kV AIC line and the proposed 345 kV ATXI line. Even if ATXI could not
112 obtain any additional land rights across these two parcels, using shorter span
113 lengths, ATXI and AIC could install the 138 kV and 345 kV transmission lines
114 across these two parcels in the existing 132-foot easement.⁸

⁶ ATXI Ex. 1.0, 17:331-343.

⁷ Attachment A: ATXI's response to Staff DR ENG 1.01 and 1.02.

⁸ Attachment B: ATXI's response to Staff DR ENG 1.03 and 1.04.

115 **Q. Given ATXI could install its transmission line across these two parcels**
116 **without additional land rights, do you recommend that the Commission**
117 **withhold eminent domain authority for these two parcels?**

118 A. No. Unfortunately Ameren built the existing 138 kV line in 2006 without provision
119 for the 345 kV line that ATXI now plans to construct, so now replacing the 138 kV
120 poles on these two parcels with poles that would support both the 138 kV and
121 345 kV transmission lines would result in higher cost than using new separate
122 poles and obtaining additional land rights for the 345 kV line.⁹ Though I do not
123 recommend that the Commission withhold granting eminent domain authority for
124 the properties with ATXI Internal Tract Numbers ILRP_RS_CH_004 and
125 ILRP_RS_CH_005, I wish to make the Commission aware of the fact that,
126 though it would result in higher costs, ATXI could construct its proposed
127 transmission line without any additional easement acquisitions across the parcels
128 with ATXI Internal Tract Numbers ILRP_RS_CH_004 and ILRP_RS_CH_005. I
129 am not an attorney and do not know how this fact might affect the Commission's
130 decision regarding granting ATXI eminent domain authority for these two parcels.

131 **Q. Did you evaluate ATXI's request for eminent domain authority based upon**
132 **the same five criteria that the Commission previously identified and relied**
133 **upon to evaluate whether the granting of eminent domain is appropriate.**

134 A. Yes. My comments and opinions regarding these five criteria follow.

135 (1) The Number And Extent Of Contacts With The Landowners

136 **Q. Has ATXI provided adequate information regarding the number and extent**
137 **of contacts with the landowners?**

⁹ Attachment B: ATXI's response to Staff DR ENG 1.04

138 A. Yes. ATXI witness Rick D. Trelz explains ATXI's process for negotiating with
139 landowners and states that ATXI or its representative, Contract Land Staff, have
140 contacted each landowner an average of 30 times.¹⁰ Further, ATXI Ex. 2.1
141 indicates that ATXI or Contract Land Staff contacted each identified property
142 owner for the purpose of acquiring an easement at least fifteen times. ATXI Ex.
143 2.3 documents ATXI's contacts with each of the affected landowners. In
144 addition, ATXI provided Staff with confidential workpapers for each Unsigned
145 Property that include the date and time of each successful and unsuccessful
146 attempt to contact the landowners.

147 (2) Whether The Utility Has Explained Its Offer Of Compensation

148 **Q. Did ATXI explain the basis for its offers of compensation?**

149 A. Yes. Mr. Trelz explains that ATXI's property evaluations and financial offers to
150 landowners are based upon a third-party appraiser's determination of the market
151 value of each property.¹¹ Mr. Trelz's testimony indicates that ATXI's initial offers
152 are approximately 50% of the fee value in locations where the proposed
153 easement overlaps a pre-existing easement, and 90% of the fee value in
154 locations where the proposed easement does not overlap an existing easement.
155 In addition, Mr. Trelz indicates that ATXI's offers included payment for crop
156 damage resulting from the transmission line installation.¹² To further explain its
157 compensation offer to each landowner, ATXI provided each landowner with a
158 worksheet and a copy of the property appraisal that it used.¹³

¹⁰ ATXI Ex. 1.0, 9:181-186.

¹¹ ATXI Ex. 1.0, 8-9:169-171.

¹² ATXI Ex. 1.0, 12:252-256.

¹³ ATXI Ex. 2.0, 7:138-141.

(3) Whether The Offers Of Compensation Are Comparable To Offers Made To Similarly Situated Landowners

Q. Were ATXI's offers of compensation to individual landowners comparable to its offers made to similarly situated landowners?

A Yes. It is my understanding that ATXI used the same third-party appraiser, American Appraisal Associates, Inc., to determine all of its compensation offers for properties located along the Sidney to Rising segment of the line.¹⁴ Specifically, it is my understanding that ATXI's appraiser used sales of similarly situated properties when evaluating each property to help determine the compensation amounts ATXI would offer to landowners.¹⁵

(4) Whether The Utility Has Made An Effort To Address Landowner Concerns

Q. Has ATXI made an effort to address landowner concerns?

A Yes. ATXI Ex. 2.3 provides several examples of changes in alignment and/or easement terms that ATXI agreed with as part of its negotiations with individual property owners. For example, page 1 of ATXI Ex. 2.3, Part D explains that ATXI compromised with the landowner regarding the location of poles and the terms of a confidential settlement agreement. As a second example, ATXI explains on page 1 of ATXI 2.3, Part F that it modified easement language in an effort to alleviate the landowner's concerns. Furthermore, when disagreements regarding ATXI's valuation occurred, ATXI invited landowners to present their own appraisal for ATXI to consider during negotiations.¹⁶ Since I have no

¹⁴ ATXI Ex. 1.0, 12:244-262

¹⁵ ATXI Ex. 1.4, 8.

¹⁶ ATXI Ex. 1.0, 16:325-329.

expertise or experience with regard to property appraisals, I offer no opinion regarding the dollar amounts of ATXI's monetary offers.

Q. Are you aware of any unresolved landowner concerns, other than financial compensation, that may have prevented ATXI and landowners from agreeing on terms for an easement?

A. No. While comments on page 2 of ATXI Ex. 2.3 Part D indicated to me that the primary remaining issue for the property owner of the parcel with ATXI Internal Tract Number ILRP_RS_CH_035 was ATXI's ingress/egress rights, on July 8, 2014, I learned that ATXI signed an easement with the property owner, and no longer seeks eminent domain authority for this parcel.¹⁷

(5) Whether Further Negotiations Will Likely Prove Fruitful

Q. Will further negotiations, if they occur, prove fruitful with respect to the Unsigned Properties?

A. I do not have an opinion as to whether further negotiations might be fruitful.

Additional concerns and comments

Q. Do you have any other comments and/or recommendations?

A. Yes. In my direct testimony in Docket Nos. 14-0291 and 14-0380, I observed that six to nine different ATXI representatives had contacted each landowner. I recommended that ATXI organize its communication with landowners so that landowners are contacted by fewer ATXI representatives.¹⁸ ATXI witness Amanda Sloan explains that, as of June 23, 2014, ATXI and its agent, Contract Land Staff, implemented a new policy wherein each landowner will be assigned a

¹⁷ Attachment C: ATXI's response to Staff DR GER 1.06.

¹⁸ Docket No. 14-0291, Staff Ex. 1.0, 6:123-137; Docket No. 14-0380, Staff Ex. 1.0, 9-10:198-230.

202 single land agent who will be the primary contact for all landowner
203 communications.¹⁹ ATXI's revised policy adequately addresses my concerns
204 regarding the number of different ATXI representatives contacting each
205 landowner.

206 **Q. Does this conclude your prepared direct testimony?**

207 A. Yes.

¹⁹ ATXI Ex. 2.0, 5-7: 85-125.

**Ameren Transmission Company of Illinois's
Response to ICC Staff Data Requests
Docket No. 14-0438
Petition for an Order Pursuant to Section 8-509 of the Public Utilities Act Authorizing Use
of Eminent Domain Power for the Sidney to Rising Route.
Data Request Response Date: 7/7/2014**

ENG 1.01

Referring to pages 7 and 8 of ATXI Ex. 2.3 Part A and page 7 of ATXI Ex. 2.3 Part B, please provide the width, in feet, that ATXI's proposed easement overlaps the existing Illinois Power Company's 132' easement that is shown.

RESPONSE

**Prepared By: Rick D. Trelz
Title: Manager, Real Estate
Phone Number: 217-562-1463**

The average of the overlap of Illinois Power Company's 132' easement by ATXI's proposed easement as shown on pages 7 and 8 of ATXI Ex. 2.3 Part A is 14.8 feet.

The average of the overlap of Illinois Power Company's 132' easement by ATXI's proposed easement as shown on page 7 of ATXI EX. 2.3 Part B is 15.62 feet.

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ENG 1.02

Referring to pages 7 and 8 of ATXI Ex. 2.3 Part A and page 7 of ATXI Ex. 2.3 Part B, please provide the operating voltage and approximate age of transmission facilities that presently exist on the Illinois Power Company 132' easement that is shown.

RESPONSE

**Prepared By: Jerry A. Murbarger
Title: Transmission Design Specialist
Phone Number: 217-424-8794**

On ATXI Ex. 2.3 Part A pages 7 and 8, and on Part B page 7, there is an existing 138 kV line placed into service in 2006.

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ENG 1.03

Referring to pages 7 and 8 of ATXI Ex. 2.3 Part A and page 7 of ATXI Ex. 2.3 Part B, if ATXI were to obtain a 150' easement that fully envelops the existing Illinois Power Company's 132' easement that is shown (100% overlap), could ATXI replace the existing transmission poles on the parcels shown with dual circuit structures that support both the new ATXI transmission line and the existing transmission line (similar to what is planned for the line sections south of State Route 10)? Within the response, please fully explain any objections ATXI would have to using dual circuit structures to cross the parcels with Internal Tract Number ILRP_RS_CH_004 and ILRP_RS_CH_005.

RESPONSE

**Prepared By: Jerry A. Murbarger
Title: Transmission Design Specialist
Phone Number: 217-424-8794**

Technically speaking, ATXI *can* construct the line in this manner; however, doing so raises significant practical concerns. As stated in my direct testimony, ATXI Ex. 3.0, the line design for this segment is in progress and all steel poles - single circuit structures - have been ordered. While ATXI could order double circuit structures for these two properties, it would likely take a minimum of four months to receive them. This may impact the construction schedule for the segment.

A dual circuit option also raises concerns from a construction and operations standpoint, as ATXI witness Mr. Hackman explained in the underlying case (Docket No. 12-0598, ATXI Exhibit 12.0 (Rev.), pp.10-13). As Mr. Hackman indicated, to double circuit a new transmission line with an existing one, the old line must be removed from service, new larger structures must be installed, and both circuits constructed. This type of construction decreases reliability because a single pole failure would create an outage for both lines.

Mr. Hackman also explained that double circuiting poses operational and maintenance challenges: due to safety concerns, for normal maintenance issues on common structures, outages may be required for both lines even if only one line requires maintenance.

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ENG 1.04

Referring to pages 7 and 8 of ATXI Ex. 2.3 Part A, and page 7 of ATXI Ex. 2.3 Part B, if ATXI is unable to obtain the easements it seeks, could ATXI instead use the existing Illinois Power Company's 132' easement to construct its 345 kV transmission line by using dual circuit structures and shorter span lengths? If no, fully explain why not. If yes, please provide ATXI's estimate as to the additional cost(s) or saving(s) that would result from using the shorter span lengths and dual circuit structures, while minimizing property acquisition costs.

RESPONSE

**Prepared By: Jerry A Murbarger
Title: Transmission Design Specialist
Phone Number: 217-424-8794**

While this would be possible from a technical perspective, the approach would raise many practical concerns. The line spans would obviously be shorter than presently designed and would require different structure types and heights. As stated in my direct testimony, ATXI Ex. 3.0, the line design for this segment is in progress and all steel poles – single circuit structures - have been ordered. While ATXI could order double circuit structures for these two properties, it would likely take a minimum of four months to receive them. This may impact the construction schedule for the segment. This would also increase the number of structures on these two properties from 9 to 12. Also, as stated in response to ENG 1.03, to double circuit a new transmission line with an existing one raises construction, operational and maintenance concerns.

There will be no cost savings under this double circuit scenario. As explained by Mr. Hackman in the underlying proceeding, "in the case of adding a new transmission line to a route where there is an existing line, the cost to remove the existing circuit, construct much larger foundations, build taller and larger structures to accommodate both circuits, and string new wire for both circuits would be more expensive than simply building a new line." (Docket No. 12-0598, ATXI Exhibit 12.0 (Rev.), p. 11.) The estimated additional cost to do so in this instance would be approximately \$1,000,000 in construction and material costs. This additional cost is more than double ATXI's easement compensation offers for these properties.

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ENG 1.06

Referring to page 2 of ATXI Ex. 2.3 Part D, ATXI indicates that it provided the landowner with revised ingress/egress language on June 9th. What is ATXI's understanding of the landowner's concerns regarding ATXI's requested ingress/egress rights and how did ATXI attempt to address those concerns?

RESPONSE

**Prepared By: Amanda Sloan
Title: Project Manager
Phone Number: 217-280-4430**

ATXI signed an easement with Premier Partners on July 1, 2014. Thus, ATXI is no longer seeking eminent domain authority for this landowner. This fact will be reflected in ATXI's rebuttal testimony.